

**MINUTES OF BOARD OF DIRECTORS MEETING
CLIFTON WATER DISTRICT
THURSDAY, JANUARY 9, 2014**

BOARD MEMBERS PRESENT: Alan Hassler, Chairman; Dale Peck, Vice-Chairman; Doralyn Genova, Treasurer; Robert Norman, Secretary; Robert Burger, Director

STAFF MEMBERS PRESENT: Dale Tooker; David Reinertsen; Kelly McLaughlin; Brian Sheley; Angie Beebe

GUEST: Jamie Hamilton, Home Loan and Investment

REGULAR MEETING

Chairman Hassler called the January 9, 2014 Regular Meeting to order at 5:05 p.m.

NEW BUSINESS

2014 Property Casualty and Liability Insurance Renewal and 2014 Workers Compensation Insurance Renewal – By Board consensus the Insurance Renewal items were moved up on the agenda. Jamie Hamilton of Home Loan and Investment was present to summarize the District's insurance coverage. He discussed how ratings, receipts, numbers of employees and loss ratios impact rates. The District's insurance rate increased 5.5% overall. Assistant Manager Reinertsen reported that the District's election of a \$1000 deduction on Workers Compensation has helped to reduce the rate. There were three claims in 2013, each of less than \$1,000. The Board thanked Mr. Hamilton for his presentation.

- Jamie Hamilton exited the meeting at 5:40 p.m.

MINUTES OF THE DECEMBER 5, 2013 REGULAR MEETING

Director Genova moved to approve the December 5, 2013 Regular Meeting Minutes as submitted. Director Burger seconded and the motion passed unanimously.

MINUTES OF THE DECEMBER 10, 2013 SPECIAL MEETING

Director Genova moved to approve the December 10, 2013 Special Meeting Minutes with the addition of a sentence thanking the presenters for the Cloud Seeding presentation. Director Peck seconded and the motion passed unanimously.

FINANCIAL REPORT AND ACCOUNTS PAYABLE

Director Genova moved to Accept the Financial Report and Approve Accounts Payable Regular Checks of \$201,745.45 plus Benefits Checks of \$17,613.75 plus Supplemental Checks of \$99,088.74 for a total of \$318,447.94. Director Peck seconded the motion. Director Burger complimented Accounting Technician Beebe on the work completed on financials in the past year. The motion passed unanimously.

MANAGER'S REPORTS

Manager Tooker presented the Manager's Reports for November, 2013. There were no topics of significant discussion.

EXPRESS AGENDA

By Board consensus, one item, Clifton Christian Church Water Tap Fees Request, was removed from the Express Agenda and placed under Unfinished Business. One item, 2014 District Election, was removed from the Express Agenda and placed under New Business. Director Burger moved to approve Express Agenda items #1, 4, and 5 as submitted. Director Genova seconded and the motion passed unanimously. The approved items are as follows:

1. Project 2013-02 New 12" 32 ½ Road Water Line Project – The Contractor has completed installation of 3,200 feet of the total 4,900 feet of new 12" water line. The project is on schedule with a final completion identified by contract as February 26, 2014.
4. GVICo Auction – At the GVICo Auction held December 12, 2013 water shares were sold at an average cost \$508 per share. The District did not purchase any shares.
5. 2014 Water Rates Billing Insert – Customers will receive notification of the District's 2014 Water Rates on an insert mailed with Bills throughout the month of January, 2014. The new rates will appear on Bills beginning in February.

UNFINISHED BUSINESS

Clifton Christian Church Water Tap Fees Request – Assistant Manager Reinertsen reported that, following the Board's review of this item at the December 5, 2013 Regular Meeting, the new 1 ½" domestic water line was installed by the Clifton Christian Church at 615 I-70 Business Loop and the project is completed. A refund check has been generated to First Church of Christ Clifton, also known as Clifton Christian Church, in the amount of \$25,970.00, as authorized by the Board at the December 5, 2013 Regular Meeting.

Project 2008-02 MF/UF

- a. Public Hearing February 6, 2014 Information and Newsletter – Manager Tooker reported that the District's Office lobby includes eight display boards showing visual renderings and summarizing project information in anticipation of the February 6, 2014 Public Hearing regarding Project 2008-02, MF/UF Project. The Preliminary Engineering Report is also

available for customer review. One customer has reviewed the information to date. A newsletter is being prepared promoting the Project, for distribution in customer billings in February.

b. State Revolving Loan Reimbursement Resolution 2014-01 – Manager Tooker provided a Resolution for Board review, regarding the reimbursement of expenses required for the Project prior to receipt of State Revolving Loan funding. The Resolution will be scheduled for Board action at the February 6, 2014 Regular Meeting.

c. Design Progress Report – Manager Tooker reported that Design meetings have commenced with Carollo Design Group. He and Water Treatment Plant Supervisor Sheley are scheduled to tour several universal platform treatment plant facilities next week.

Owner's Representative for Project 2008-02 MF/UF – Manager Tooker distributed a draft Scope of Services and cost summary for Burns and McDonnell Engineering to perform oversight duties on behalf of the District during design and construction of Project 2008-02 MF/UF. The first task would include attendance with District staff at next week's universal platform site visits, and the AWWA Membrane Conference in March. Director Norman moved to approve a reimbursement to Burns and McDonnell Engineering for hourly rate and travel costs associated with their attendance at the facility tours and membrane conference at the rates shown on Attachment A of the Burns and McDonnell Engineering oversight proposal, and direct Staff to continue negotiation of an agreement for services up to 40% design. Director Genova seconded and the motion passed unanimously.

NEW BUSINESS

2014 Property Casualty and Liability Insurance Renewal – Director Genova moved to approve the 2014 Property Casualty and Liability Insurance Renewal with Colorado Special Districts Property and Liability Pool and authorize payment in the amount of \$54,244.08. Director Peck seconded and the motion passed unanimously.

2014 Workers Compensation Insurance Renewal – Director Genova moved to approve the 2014 Workers Compensation Insurance with Colorado Special Districts Property and Liability Pool with the \$1,000 deductible and authorize payment in the amount of \$13,000.21. Director Peck seconded and the motion passed unanimously.

2014 Audit Services – Chadwick Steinkirchner, Davis & Co., P.C. – A letter of understanding of services was presented from Chadwick Steinkirchner, Davis & Co. P.C. for the provision of 2013 Audit services. Director Genova recused herself from this agenda item due to a family member being affiliated with the auditing firm. Director Burger moved to appoint Chadwick Steinkirchner Davis & Co. P.C. to complete the District's FY2013 Audit at a maximum cost of \$9,100 and authorize the Chairman to sign the letter. Director Peck seconded and the motion passed with Director Genova abstaining.

Resolution 2014-02 Designating Time, Location and Posting of Meetings – Director Peck moved to adopt Resolution 2014-02, A Resolution Designating Time, Location and Posting of Meetings for 2014. Director Peck seconded and the motion passed unanimously.

Resolution Text is as follows:

**RESOLUTION 2014-02
RESOLUTION DESIGNATING MEETING TIME, PLACE
AND 24-HOUR POSTING LOCATION**

WHEREAS, the Clifton Water District designates that all Regular Board of Directors Meetings will be held the first Thursday of each month at 5:00 p.m. located at the Clifton Water District Office, 510 34 Road, Clifton Colorado; and

WHEREAS, the Clifton Water District designates that the posting places for all Board of Directors meetings are the Clifton Water District Office and the following three additional locations; Clifton Sanitation District Office, Clifton Fire Department, and the Mesa County Clerk and Recorders Office Clifton Branch; and

WHEREAS, the Clifton Water District designates that the 24-hour Agenda Notice will be posted at the Clifton Water District Office; and

BE IT FURTHER RESOLVED, that this Resolution be adopted this 9th day of January 2014.

Resolution 2014-03 Adopting Availability of Service Charge for 2014 – Manager Tooker presented a Staff Report (1/9/14 File, 2014 Staff Reports) summarizing 2013 average customer billing amounts that are used to calculate the 2014 Availability of Service Charge. Director Peck moved to adopt Resolution 2014-03, A Resolution For the Availability of Service Charge for 2014 and set the In-District Availability of Service rate at \$14.32/month and the Out-of-District Availability of Service rate

Resolution Text is as follows:

**RESOLUTION 2014-03
RESOLUTION FOR THE AVAILABILITY OF SERVICE CHARGE FOR 2014**

WHEREAS, the District has reviewed the Availability of Service Charge Policy; and

WHEREAS, the Availability of Service Charges are considered to be an equitable revenue contribution toward the repayment toward debt incurred by the Clifton Water District; and

WHEREAS, the Availability of Service Charge Policy is for those customers who benefit from the immediate availability of water service even though they are currently not receiving water; and

WHEREAS, all revenue generated by the Availability of Service Charge shall be used to repay the principal and interest on bonds and other outstanding indebtedness; and

WHEREAS, in the 2014 Fiscal Year the District has indebtedness for Water Revenue Bonds; and

WHEREAS, the said percentage of the Availability of Service Charge shall be determined by the Board; and

WHEREAS, in 2013 the average water usage charge for a Clifton Water District In-District customer was \$28.65/month per unit; and

WHEREAS, in 2013 the average water usage charge for a Clifton Water District Out-of-District customer was \$47.50/month per unit.

NOW THEREFORE BE IT RESOLVED, that the Clifton Water District Board of Directors establish the In-District Availability of Service Charge for the 2014 Fiscal Year at 50% of the In-District average water bill in 2013, which equals \$14.32 per month per unit and the Out-of-District Availability of Service Charge for the 2014 Fiscal Year at 45% of the Out-of-District average water bill in 2012, which equals \$21.48/month per unit.

BE IT FURTHER RESOLVED, that this Resolution be adopted this 9th day of January 2014 and is effective January 9, 2014.

Emergency Rate Annual Review – The Board reviewed the Staff Report regarding the 2009 Resolution establishing an Emergency Rate, and the 2014 calculation of rates. Director Peck moved to adopt Exhibit A to the 2009 Resolution Establishing an Emergency Rate, for the 2014 Emergency Rates and continue to place the Emergency Rate on hold until further Board action is taken. Director Genova seconded and the motion passed unanimously.

Grand Valley Irrigation Company Check Structure – Manager Tooker reported on a meeting with representatives of the Grand Valley Irrigation Company to discuss the design and construction of a Canal Check Structure. The GVICo is planning on lining the section of the Canal between 34 Road and 33 Road in 2014 – 2015. This would be an unplanned opportunity for the District to improve water delivery from the Canal. A proposal for engineering was submitted by Applegate Engineering, and there is an opportunity to obtain grant funds from the Colorado River Water Conservation District for the project. Director Genova moved to authorize Staff to seek a grant application with the Colorado River Water Conservation District for the Grand Valley Irrigation Check Structure, at an amount that does not exceed the allowable grant amount in the District’s Water Enterprise Fund. Director Burger seconded and the motion passed unanimously.

2014 District Election – Assistant Manager Reinertsen presented an election calendar for 2014, pending possible legislative changes affecting Special District elections. The terms of office for Directors Genova, Hassler and Peck will expire in May, 2014. The election date is scheduled for May 6, 2014. Director Genova moved to adopt Resolution 2014-04, a Resolution Regarding the 2014 Clifton Water District Election, to identify Assistant Manager David Reinertsen as the District’s Designated Elected Official, and to authorize execution of the Resolution and the Certificate of Appointment of Designated Elected Official. Director Peck seconded and the motion passed unanimously.

Resolution Text is as follows:

RESOLUTION 2014-04
2014 CLIFTON WATER DISTRICT ELECTION RESOLUTION

WHEREAS, the term of office of Directors Genova, Hassler, and Peck shall expire after their successors are elected at the **regular** Special District election to be held on May 6, 2014 and take office; and

WHEREAS, in accordance with the provisions of the Special District Act ("Act") and the Uniform Election Code of 1992 ("Code"), the Election must be conducted to elect three Directors to serve for a term of **four** years; and

NOW, THEREFORE, be it resolved by the Board of Directors of the Clifton Water District in Mesa County, State of Colorado that:

1. The regular election of the eligible electors of District shall be held on May 6, 2014, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, three Directors will be elected to serve a **four**-year term.
2. David A. Reinertsen shall be appointed as the Designated Election Official on behalf of the District and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code, or other applicable laws. The Election shall be conducted in accordance with the Act, Code, and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, appoint the Board of Canvassers, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished. The appointed person shall be appointed by the board and swear or affirm an oath of office. This document will be submitted to the Board as an official part of the election record. Exhibit A
3. One (1) walk-in voting place is established as set forth below:
David A. Reinertsen, DEO
Clifton Water District Business Office
510 34 Road
Clifton, CO 81520
District Office Telephone Number (970) 434-7328
District Office Facsimile (970) 434-7338
dreinertsen@cliftonwaterdistrict.org
Office Hours: 8:00 AM to 5:00 PM, Monday through Friday – walk-in voting place will be open on election day between 7:00 am and 7:00 pm.
4. Applications for a mail-in ballot are due to the Designated Election Official by the close of business on April 29, 2014, if the applicant wants the mail-in ballot mailed to him or her. If the applicant is willing to pick up his or her mail-in ballot, the deadline for filing the application with the Designated Election Official is the close of business on May 2, 2014.
5. Self Nomination and Acceptance petitions are available at the Designated Election Official's office located at the above address. All candidates must file a nomination petition with the Designated Election Official no later than 3:00 P.M. on **February 28, 2014**. A person who misses this deadline, but wishes to be a write-in candidate for office, shall file an affidavit of intent with the Designated Election Official no later than 5:00 P.M. on **March 3, 2014**.
6. If the only matter before the electors is the election of persons to office, and if at the close of business on **March 4, 2014**, there are not more candidates than offices to be filled at the election, including candidates filing affidavits of intent to be a write-in, the Designated Election Official shall cancel the Election and by Resolution declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with the Code.
7. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

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8. *Repealer. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.*
 9. *Effective Date. The provisions of this Resolution shall take effect immediately.*

ADOPTED AND APPROVED this 9th day of January, 2014.

ADJOURNMENT

Director Burger moved to adjourn the meeting. Director Genova seconded and the motion passed unanimously. The January 9, 2014 Regular Meeting was adjourned at 7:05 p.m.

ATTEST:

Alan Hassler

Dale Peck

Doralyn Genova

Robert Norman

Robert K. Burger